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## ***Random House Breaks Ground for Expansion in Crawfordsville***

INDIANAPOLIS — Taking advantage of a golden opportunity, today Random House, Inc., the world's largest general interest book publisher, broke ground on a major expansion in central Indiana.

Joined by city and state officials, the company announced plans to invest \$6.2 million to expand its Crawfordsville distribution facility, retaining 120 existing employees and creating a significant number of new jobs by 2003.

"We are excited that Random House is making this commitment to Indiana," said Lt. Governor Joe Kernan, who serves as the director of the Indiana Department of Commerce. "Indiana is the crossroads of America, and this project is a perfect fit for us."

Random House, Inc. is America's market-leading publisher of best-selling, prize-winning fiction and nonfiction hardcover, paperback, and audio books. It purchased Golden Books Entertainment, including the Crawfordsville facility, in August 2001. Random House plans to expand its 360,000-square-foot facility by 270,000 square feet. When fully operational in 2003, the facility will house more than 90 million books and serve as the national distribution center for its Random House Children's Books Division.

"Crawfordsville welcomes Random House to the community," said Mayor Steven Gentry. "We are proud to have them as an industrial neighbor and look forward to a long and prosperous future."

The book publishing division of Bertelsmann AG, one of the foremost media companies in the world, Random House is a global company with English-language sister publishers in Canada, the United Kingdom, Australia, New Zealand and South Africa. It is also a leading book publisher in Germany, Spain and Latin America. Random House titles are sold in virtually every country in the world.

“With today’s groundbreaking, Random House, Inc. officially begins the expansion program that will make our Indiana facility America’s most state-of-the-art distribution center for children’s books. Our efforts ahead will build upon not only Crawfordsville’s physical facility, but also upon the long history and great work ethic of our new colleagues. We look forward to being a valued corporate citizen of Indiana,” said Phyllis Mandel, senior vice president, fulfillment, Random House, Inc.

To secure the project the Indiana Department of Commerce worked with the city of Crawfordsville and Montgomery County Economic Development. The Indiana Department of Commerce offered a Skills Enhancement Fund (SEF) grant of up to \$49,500 to help defray the cost of training employees in skills required by the expansion.

Commerce also offered the city of Crawfordsville a \$500,000 industrial development grant, using federally-funded Community Development Block Grant dollars. The grant may be used toward the purchase of land, equipment and other personal property. To be eligible for the funds, Random House, Inc. must agree to make 51 percent of its positions available to persons of low and moderate incomes.

In addition to the state programs, the city of Crawfordsville offered tax abatements on personal property and \$150,000 for employee training. The city also agreed to pay for sewer or water connections. Vectren Gas Co. also assisted the effort, offering to pay 50 percent of any gas piping required for the new facility up to a maximum of \$5,000.

“Our community is grateful for the confidence Random House, Inc. has shown in expanding their operations and creating new jobs,” said John Doyel, Executive Director, Montgomery County Economic Development. “The city of Crawfordsville and the Indiana Department of Commerce worked well together to present a package of incentives. The men and women who have worked at the facility for several years are reliable, hardworking people who are dedicated to making their employer successful. They are the reason we are here today.”

The Indiana Department of Commerce awards Skills Enhancement Fund grants to Indiana companies that undertake capital-investment projects. The grants help defray the costs of training new and current employees in transferable and company-specific skills necessary to support these projects.

Companies interested in these or other Commerce programs should contact the Business Development Division of the Indiana Department of Commerce at 800.463.8081 or 317.232.8888.

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